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ABSTRACT

This policy study of official efforts to develop the relationship between education and employment in the United States focuses on both the transition of youth from school to work and the education and employment system for adults. Federal legislation is overviewed, and federal programs for youth to improve the relationship of education to employment are described. Federal budget policy is briefly overviewed. Overall progress by programs toward policy objectives is assessed. Results cited are worsening youth unemployment; poor quality youth employment; lack of marketable skills; limited occupational socialization; no certification of competencies; no job placement assistance or private sector linkages; constant dropout rates; and little investigation of the relationship between creation of job opportunities and delinquency prevention. Federal policies pertaining to career and life redirection and renewal among adults are described, including emphasis on lifelong learning or recurrent education and support of training designed to meet critical personnel needs. A case study is presented of Seattle's education and work delivery system. Probable directions for the federal government are then identified, including job creation and income maintenance strategies; legislation reauthorization; and postsecondary, continuing, and lifelong education. (A foreword discusses the socioeconomic and cultural context of educational development in the Europe region.) (YLB)

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RELATIONSHIP OF EDUCATION TO EMPLOYMENT IN THE UNITED STATES

by Barry E. Stern

Foreword on the "Socio-economic and cultural contact of educational development in the Europe region"

by

B. Kluchnikov

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This paper was prepared for the Division of Educational Policy and Planning as part of its project study on the relationship between education and employment policies.

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FOREWORD

THE SOCIO-ECONOMIC AND CULTURAL CONTEXT OF EDUCATIONAL DEVELOPMENT IN THE EUROPE REGION

by B. Kluchnikov

Three country case studies on the relationship of education to employment are drawn to the attention of the reader : in France by J.J. Paul, EPP Report and Studies Series No. S.92, in the United States by Barry E. Stern, EPP Report and Studies Series No. 93 and on training of youth for working life in the Soviet Union by N.P. Semykin, EPP Report and Studies Series No. 96. The programme of educational policy and planning of Unesco has always considered the relevancy of education to employment needs as a priority for research, studies and advisory services to Member States. This theme has been further emphasized since the ILO World Employment Conference in 1976 as well as following the decisions of the 20th and 21st sessions of the General Conference of Unesco. The third conference of Ministers of Education of the Member States of the Europe region, organized by Unesco with the cooperation of the UN Commission for Europe, June 1980, has adopted a special recommendation with regard to education and the world of work. The conference emphasized the increased socio-economic functions of educational systems. The fact that practical work of pupils and students is an important factor in the modern process of education, the Conference studied the experience gained by the Member States in developing education and linking it with the world of work. At the same time it has invited the participating Member States to further improve the links between education and employment. The Conference recommended the Member States :

1. to develop and amplify the connection between education and the world of work and to ensure creative collaboration between educational institutions, business, industry and establishments concerned with science, public health and culture;
2. to assist by all possible means the effort to find ways of enhancing the effectiveness and quality of education, ensuring in particular the best possible balance between general and vocationally oriented education and to take more active steps to introduce practical work into the teaching and education process for pupils and students in secondary and higher educational establishments;

3. to strive to achieve greater efficiency in the process of introducing school-leavers and graduates to working surroundings and providing for their full employment in accordance with the type of education received and for their rapid adaptation to the world of work;
4. to promote the supply and flow of information and to strengthen co-operation in this field so as to enable them to become more acquainted with the experiences of each other's countries;

The Conference recommended the Director-General of Unesco :

1. to give particular attention in future programmes to problems related to a better articulation between education and the world of work, including in-depth studies, evaluation by specialists and expert meetings aimed at promoting greater co-operation amongst Member States of the Europe region;
2. to facilitate the dissemination of information through existing information networks on the experiences of Member States in their search for ways in which educational institutions and employers collaborate in the education of students for the world of work. [1)]

The proposed studies analyze the socio-economic and cultural context of educational development in which the relationship between education and employment is developing. The three studies are coming to different conclusions which is natural taking into account the considerable differences existing between the United States, France and the Soviet Union. In my opinion, however, it was appropriate, while introducing these studies, to make an attempt to identify some common characteristics in the socio-economic and cultural contexts in which the relationship between education and employment is developing in the United States, in France and in the Soviet Union. It is therefore very difficult, if not impossible, to generalize the recent trends and their impact on education and employment for the region as a whole. Still, there are a large number of emerging characteristics of the societal environment of education, which most European countries have in common and which present problems of choice for educational policy makers in the region. Such policy options are increasingly determined by the need of educational systems to respond :

- to relatively short-term changes in demographic and financial variables as well as to long-term socio-cultural and technological tranformation effecting the life of a generation and its learning needs;
- to the satisfaction of personal learning needs and individual educational demands of each citizen as well as of the socio-cultural and economic needs of society as a whole.

1) Recommendation III/3

The common challenge in all countries of the region is that, in order to respond effectively to the above cited demands, educational systems must become increasingly complex social organizations, in constant and dynamic change to respond to the transformation of European societies and their place in the world.

Economic and Technological Developments

The long-term economic context of educational developments in the region is characterized by a decade of high although uneven, economic growth in many European countries, which has made possible considerable improvements of the living standards of many Europeans.

Many of the industrially developed countries are now reaching the threshhold of a "post-industrial" society or of "developed socialist societies" and have undergone far-reaching changes in technology and methods of production which have had a profound impact on the structures and content of educational systems.

Economic growth in the region has been one of the major forces on the expansion of the educational systems. Rising household incomes have permitted families to finance the costs of foregone earnings of youth and of tuition charges (if required) necessary to allow an extension of school attendance; increases in available public funds have enabled considerable growth in educational expenditures; growth has generated the need for school related skills for productive employment and the private returns to investment in education have been high over the last decades in most European countries.

At the same time, the educational systems of the region are being challenged to respond quickly to provide the labour-force with sources for adaptability, new skills and knowledge and to provide all citizens with the values, norms and attitudes how to live with a constant and accelerating pace of change which economic development and technological innovation have brought about. Educational systems in Europe today have thus been largely shaped by economic growth and educational expansion which advanced together and provided a stimulus and outlet for the rise in educational levels and aspirations and for educational reforms and innovations.

In the more recent, short-term, economic context, many countries of the region face a number of new problems. While the response of each individual country to these problems have been different depending mainly on the development vision and strategy chosen by such societies for their future, the problems provide a common challenge.

First, the 1973-75 world-wide recession and the slow economic recovery in many countries of the region followed by a new and more profound recession resulting inter alia from the energy crisis have reduced the capacity of most economies more-or-less painlessly to absorb rising levels of education among the population as a whole. According to the UN Economic Commission for Europe, the GDP of the West European countries increased by only 2 per cent with 4.5 per cent in 1976. In Southern Europe, the rate of growth of domestic product decelerated in Greece and Turkey, remained almost as low as in 1976 in Spain and increased in Portugal and Yugoslavia. The economic expansion in Eastern Europe in 1977 turned out to be less rigorous than planned; the aggregate net material product for the East European countries and the Soviet Union together rose by 4.2 per cent (compared with 5.2 per cent in 1976). Growth targets for 1978 have been set at a level close to the actual rates achieved in 1977. Source : The European Economy in 1977. Part II of Economic Survey of Europe in 1977, U.N. New York 1978 reports. Especially in the market economies of Western Europe, the overall structure of employment, the content of jobs, working conditions and management styles have not developed to match the high levels of education and aspiration of the population. As in these societies the burden of graduate unemployment falls mostly on under-privileged groups, policy makers have become increasingly aware as to the limitations of education in itself as a major instrument for achieving democratization and social justice.

The situation is very different in the East European countries both with regard to economic development and to employment problems. In the Soviet Union, the Head of State, L.I. Breshniev, stated at the XXVI Congress of the CP of USSR in February 1981, that "on the whole the national economy of the country has taken a considerable step forward in the 1970's in its further strengthening and development". [1] The comprehensive planning approach is well established in the sense that the components of the social budget, including education, are integral to the economic planning process. Educational expenditures are provided to achieve equality of learning opportunities but also to realize the objectives of manpower policy and, more generally, of the economic targets of the plan.

But also in these economies, where every graduate produced has, in principle a job already waiting for him, there are reportedly high labour turn-over rates in the younger age groups which suggests that there is some restlessness and a desire to experiment with different types of employment, training and education.

Secondly, in many countries of the region, the growth of educational expenditure has slowed down, mainly because of restrictive budgetary policies and competing claims of other social sectors for social security of the population.

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1) Pravda, 24 February 1981

In these countries, the pressures to economize in the field of education comes at a moment in time where, mainly because of the rapid expansion of education in the 1960's educational systems have become increasingly complex, requiring additional funds for development-oriented institutions and for new mechanisms for decentralized management of educational change.

The educational responses to the above economic changes and to the challenges of a New International Economic Order (NIEO) effecting the prospects of the region as a whole, have been varied. There is growing evidence which would suggest that in the Europe region, national initiatives in education are being guided by a concern that educational development should not be constrained in relation to short-term external economic factors but should continue to serve long-term plural socio-cultural as well as economic aims in a flexible and imaginative manner, within the context of lifelong education, aiming at a more equal distribution of labour, leisure and education over a person's life cycle. Educational policies should not be blindly subordinated to employment requirements. Educational policy should in its turn influence the investments, decisions, job creations and employment policies.

Demographic factors

The study of population, its dynamics and effects on educational development is vital in forward educational planning. In most countries of the region, fluctuations in fertility during the last decade have further increased the uncertainty of demographic forecasts and such forecasts alone can no longer provide a valid basis for the planning of future educational provisions since the renewal of the age pyramid from the basis will remain irregular.

The population of Europe - both in numbers and in structure - has been modified considerably in the last decade by unpredicted changes in birthrates and patterns of migration. No definite trends can be observed as common to the entire region and it is for this purpose that a more detailed analysis by country and group of countries had to be undertaken.

The considerable impact of changes in demographic variables of educational development can possibly be illustrated best by providing some specific national examples.

The number of children in the USSR, the age of whom corresponds to kinder-gardens and primary school decreased in the period of 1970-1975 by 4 mln, or by 19 %; the age group of 10-14 years decreased by more than 1 million, with a further decrease in 1980 by 4 mln. The dominant factor in this unusual (for new history) development is the second wave effect of the Second World War, during which the country lost 20 mln of its most productive and efficient citizens.

In the GDR where the complicated demographic structure of the population is also mainly caused by historical events, national projections foresee that the age group 19-22 (i.e. the potential higher education students) will increase from about 260.000 in 1975 to 283.000 in 1980, then decrease gradually to about 180.000 by 1983 to reach another high level of 230.000 by the year 2000. These fluctuations will make it very difficult if not almost impossible to plan higher education in relation to manpower demands from an economic sector which, according to a recent survey among industrial/commercial enterprises, claims that there will be jobs for between 200.000 - 220.000 university graduates by 1993 i.e. more than the student population likely to be available in that year.

In the United Kingdom, the declining birth-rate is already making itself felt in primary schools where pupil numbers have been dropping since 1974. The latest forecast by the Department of Education and Science [1] suggests that by 1981 the primary school population in England and Wales will be almost 800.000 down on its level in 1975; whatever happens with the birth-rate, the primary school population will continue to decline until about 1985 which time enrolments are expected to be between 400.000 and 700.000 below their 1981 level. Primary school enrolments are unlikely to return to their present level until around the year 2000, unless there are remarkable changes in the birth-rate. From 1980 onwards also the secondary school enrolments in England and Wales will start to fall and by 1981 they will be between 1 million and 1.2 million lower than their level in 1980, depending upon the course of the birth-rate in the next few years. It is expected that pupil numbers at this level will begin to increase again after 1981. The above picture indicates not only substantial reductions in school enrolment but also a very considerable dislocation between their emergence over time. While in the later years of this decade, primary school enrolment will be falling and secondary school enrolment will be on the rise, in the second half of the next decade the situation is likely to be entirely the reverse. Of course this will have a serious impact on the planned reallocation of financial and human resources to different parts of the educational system in the coming decade.

A few general conclusions can still be made. The decline of fertility in many countries of the region will involve further aging of the total population while the proportion of younger people in the population will decrease. This will raise in a number of countries questions of social transfers between generations for various collective needs and their cost. In many countries of the region, the decline

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1) See : The Future School Population, Department of Education and Science Reports on Education, June 1976.

in the size of the school-age groups will, in time, have repercussions on the successive study cycles and the new upturn in the birth-rate, predicted by some, will give rise to opposite tendencies in each cycle. This situation raises difficult problems with regard to the availability of teachers and buildings, alternating between surplus and shortage, given a constant utilisation rate of these resources.

The downward trend of enrolment in the 5-14 age groups in most countries of the region has raised new management problems in compulsory education. A surplus of teachers and facilities, a lower renewal of the teaching staff (implying an increase in their average age) a reduction in building needs etc. will, also in the future, effect the distribution of educational outlays in these countries. The real picture is even made more complex by internal migratory movements (of which there are almost no forecasts) and urbanization trends characterized by the growth of small and medium size towns caused by the shift out of agriculture, all of which will influence the educational needs and requirements of specific areas and population groups. The consequent need for a redeployment and reallocation of teachers and buildings will also have a qualitative aspect since, in countries with a declining enrolment, there will be pressures, mainly from teachers and parents, to take advantage of this situation and improve the quality of education by e.g. lowering the pupil-teachers and/or pupil-classroom ratios.

Social Developments

In all countries of the region new approaches to social policy have been adopte. The concept of the responsibility of the State for the welfare of all its citizens has been widely accepted and dynamic programmes have been designed in this field.

Allowing for the variations in ideology and political objectives, in the various countries of Europe, there is a common consensus that the cost of economic growth should not be unevenly shared by different groups in the community.

Within this basically positive context, a large number of problems remain and provide challenging tasks for educational systems in the region. Policy makers in the field of education are faced with such questions as : what is the right education which contributes to strengthening peace; to making European societies more human, which responds better to the needs of the underprivileged, and is better equipped to deal with the complexity of modern life, better structured to cope with a rapidly changing political, economic, technological and socio-cultural environment and is better organized to make life and work more richly rewarding, morally, spiritually and materially ?

Strong social pressures have continued to operate for the democratization of education, conceived not only in terms of an increasing responsiveness of education to the reduction of disparities among social groups and regions but also in terms of the role of education in improving the levels of living and working conditions of the entire society and in enhancing the participation of individuals in the decision-making process.

Technological change, has influenced the pattern of relationships among men and between men and machines. In an effort to improve teamwork, to reduce monotony, alienation and excessive routinisation of jobs, more attention has to be paid to the relationships between education and the entire working environment and to the social skills required for occupations at all levels.

In coming to grips with the problem of social and income inequalities, Eastern and Western Europe alike have been devoting special attention to the situation of women and their role in society. The increase in female employment, the change in family patterns and in the social role of women, her equal rights and opportunities have further emphasized the need for more child-care and pre-school services. The continuous change in basic social values relating to the respective roles and responsibilities of the family and of society with regard to the education and care of young children has helped to stimulate provision of learning opportunities at this level to meet an ever increasing demand.

In a large number of countries of Western and Southern Europe, the growing number of educated young people looking for a first job, the large increases in the youth labour supply coupled with a slowing-down in the demand for labour has, means substantial increases in youth unemployment in these countries. The marginalization of young people who remain outside the mainstream of social and economic life and who, increasingly, sense a feeling of conflict between their socio-cultural and political emancipation and their increasingly subordinate economic and other roles in society, have in a number of countries led to concerted action and intersectoral programmes by education and labour ministries, involving participation of teachers organizations, labour unions, etc. The impact of the mass-media (radio, TV, etc.) on the learning process of children and youth has not yet been fully understood. But certainly the media influence standards of information, time allocation, the choice and quality of leisure and enjoyment of culture and they transmit values, behaviour, standards of cultural taste. Most of these factors are important in the development of the intellectual,physical,emotional and moral capacities of individuals, functions which education cannot monopolize anymore. Thus, the integration of education and communication within a system of life long learning is a challenge recognized by a large number of countries of the region.

An important indirect effect of demographic trends on social and educational policies, is the continuous decline (between 1970 and 1990) of the proportion of young people in the population in some countries of the region. The effect of the ageing of the population on the educational environment of youth is difficult to foresee. A lowering rate of increase of youth labour-supply in the future may reduce present patterns of youth unemployment in Western Europe and North America. But the ageing of the working population may also reduce occupational and geographical mobility and prospects for career promotion in the countries which will considerably influence the motivations and aspirations of students for certain jobs and will effect their educational choice.

At the local and institutional levels, many governments have translated the above concerns in measures to improve the relationships between the school and the community. Some European countries have made the school the vital centre from which to improve the organization of community services for children and young people and to bring community influences to bear on the schools so that they better reflect community needs. Countries have conceived the school as a key institution in improving a variety of social objectives in local communities such as : the intermingling of different socio-economic groups, the integration of immigrants or racial groups, the reorganization of depressed urban areas, etc. Community participation in educational matters as well as the participation of the school in helping to solve community problems can be observed in most countries of the region.

Cultural Developments

Throughout Europe, education has contributed to the swelling tide of human aspirations which cut across all differences of political regime, ideological outlook, economic system and social structure.

The major question which policy makers in the field of education and culture are now facing is : Has Europe's obsession with technological change, economic growth and material progress not resulted in a progressive "dehumanization" and "deculturalization" of European societies ? Has too much emphasis been placed on the adaptation of man and his learning needs, to productivity and technological change, rather than vice versa ? And if so, what would be the role of education in assisting to correct such imbalances ? In the Europe region, education is increasingly being regarded not only as an instrument to attain an appropriate job and material gains but as something that must be judged in its own right, as a means towards a better socio-cultural life. To what extent have countries in the region succeeded to accommodate this concern effectively into their educational development policies, plans and programmes ?

Many countries are now in a process of translating the human values and attitudes attached to education for occupational preparation and for self-realization and the societal beliefs and norms about different stages of the individual's life-cycle (learning/work/leisure) into flexible educational structures and into a relevant curriculum. In most countries of the region, it seems, however, to be a lack of cross-cultural studies in which the characteristics of society or of sub-cultures are related to the individual demand for education and by which the trends in cultural determinants are compared to changes in the demand for education. Educational policy makers have thus very little concrete evidence on which basis they could answer to the above questions.

A few general trends can be observed, however :

- Of great concern in many countries of the region have been the conditions of foreign workers who constitute a large and under-privileged proletariat in the more advanced nations of Europe, living in cultural and social isolation from the rest of society.

- There is a growing tendency especially among the youth in a number of European countries to call into question many of the accepted values and goals of society. In some countries of the region this change in attitude regarding economic growth, material progress, science and technology and the industrialized and consumer society in general has, in extreme cases, even led to open revolt against the present economic system and its institutions (industrial disputes, student/teacher strikes, absenteism, etc.)

- Many countries of the region are recognizing the positive role which education can play in the transmission of the values, behaviour and standards of cultural taste particular to each society. Within this context, one can observe a growing trend in many European countries to integrate cultural and sports activities into the educational and training programmes for in-school and out-of-school youth and adults, with a view to attaining a more equal distribution of leisure, learning and labour, over an individual's life cycle.

This is so far as the common features in social, cultural and economic developments is concerned. The three studies mentioned open different prospects for the future of educational development and its relevancy to social and economic needs in USA, France and the USSR.

CONTENTS

CHAPTER		PAGE
I.	Introduction	1
II.	Historic Overview	2
III.	Current Policies, Programs, and Problems: A National Perspective.....	4
	Federal Policies and Programs for Youths	4
	Federal Policies Pertaining to Career and Life Redirection and Renewal Among Adults	26
IV.	Local Case Study of an Education and Work Delivery System: Seattle, Washington	36
V.	Probable Directions for Education and Employment Policy	42
VI.	Conclusions	49
Executive Summary		51
Bibliography		54

I. INTRODUCTION

This is a policy study of official efforts to develop the relationship between education and employment in the United States. The study contains concise descriptions of major federal legislation and programs, analyzes the results obtained, and discusses problems encountered and significant trends that seem likely to continue for some time into the future. The study also provides an in-depth description of one local education and employment delivery system, which shows the application of federal programs and policies at the community level.

Though most of the analysis presented here concerns the transition of youths from school to work, attention is paid as well to the education and employment system for adults. Since the labor market experiences of youth and adults markedly affect one another, an understanding of program results for both groups is needed for effective policy formulation. Integrated with the above analyses are discussions of program impact on groups that are economically underprivileged.

This literature review is descriptive and analytical, not prescriptive. Though policy recommendations are not made, the author does make some judgments about the probable directions of future policies, or at least outlines some of the issues where it appears that little consensus exists. The author's frame of reference is his personal job experience with policy development and planning offices in both the Department of Labor and Education, as well as his current intergovernmental experience with both the public schools and the CETA agency in Seattle, Washington. The analyses and points of view expressed in this study are those of the author and do not necessarily represent any official view of any government agency.

II. HISTORIC OVERVIEW

The history of federal legislation pertaining to the relationship of education to employment reflects national trends, concerns, and beliefs about this relationship. The federal government's interest in improving the relationship between education and work grows out of recognition that the social and economic health of the nation depends on a continuing supply of appropriately prepared individuals. It stems also from an awareness that the well-being of the citizen is related to the adequacy of his or her preparation for meaningful, useful work.

For over 100 years, equipping young Americans with occupational skills needed for the nation's economic development has been the principal purpose of federal legislation related to education and work. The basis for this orientation is found in the original Land-Grant Colleges Acts of 1862 and 1890. These Acts established institutions to provide a liberal education together with scientific-technical education and encouraged research and experimentation to resolve problems of local agricultural and industrial production. Later, the Smith-Hughes Act of 1917 carried the spirit of land-grant college legislation to the nation's secondary schools by establishing vocational education programs with training authorized for occupations. The National Defense Acts passed in 1941-43 and the George-Barden Act of 1946 expanded the eligible fields of instruction and supported the training of defense workers and returning veterans. The 1960's and 1970's have seen more legislation. The Manpower Development and Training Act (MDTA) of 1962, the Vocational Education Act (VEA) of 1963 (with amendments in 1968 and 1976), the Economic Development Act of 1965, the Comprehensive Employment and Training Act (CETA) of 1973, and the Youth Employment and Demonstration Projects Act (YEDPA) of 1977 have all

greatly enlarged the federal role in supporting occupational training programs, giving special attention to areas and groups experiencing severe economic difficulties. Several of the federal programs, principally MDTA and now CETA, offer actual work experience along with occupational training. The YEDPA program is a demonstration project emphasizing experimentation until sufficient knowledge is available to set long-term policies in this area.

Most of the Federal efforts to improve the employability of the working population are housed in the Departments of Labor (DOL) and Education (prior to 1980, the Department of Health, Education and Welfare). Labor's programs are focused on disadvantaged groups and the hard-to-employ, whereas Education's programs focus on the preparation of students for the world of work. Largely because of the 1975 recession and high unemployment rates, the Department of Labor's employment and training programs have received substantial increases in recent years. In 1978 DOL was to spend some $2 billion on institutional and on-the-job training and another $2.6 billion on work experience programs, including almost $1 billion for four new programs authorized by the Youth Employment and Development Projects Act of 1977. The Department of Education's (DOE) expenditures for education and work remained relatively constant during the middle 1970's but increased in recent years to a total of about $800 million per year, with almost all allocated to vocational education.

While most Federal dollars in the education and work area support occupational training and training in combination with direct work experience, other funds support a variety of transition services, including career information, guidance and counseling, placement and recruitment, and referral services. Again, the greatest portion of these services are provided under DOL programs (very few of which serve students to any great extent), which total $800 or

$900 million per year. Through the federal vocational education (formula grants) program, states provide some transition services. In addition, various units within DOE (e.g. Office of Career Education, the National Institute of Education, and the Fund for the Improvement of Postsecondary Education) occasionally award demonstration grants in career education, guidance and placement.

Recent Federal initiatives to facilitate an improved relationship between education and work have included classroom-based career education, which attempts to infuse work concepts and habits into regular school curricula; experience-based career education and various job internship programs, which allow students to acquire academic skills as well as knowledge of the workplace itself; competency-based education and assessment, and the development of programs and materials designed to eliminate sex bias and stereotyping from all school curricula, including vocational education. Responsibility for implementing most of these initiatives rests with DOE. Since the passage of YEDPA, though, the Department of Labor has become much more active in demonstrating exemplary projects in these areas, including models developed with DOE funds.

III. CURRENT POLICIES, PROGRAMS, AND PROBLEMS: A NATIONAL PERSPECTIVE

FEDERAL EDUCATION AND EMPLOYMENT PROGRAMS FOR YOUTHS

Several Federal programs attempt to improve the relationship of education to employment. These are listed and described briefly in order to give an overview of the variety of objectives and special groups served. The specific programs administered by the Department of Education (previously under the Department of Health, Education and Welfare) are as follows:

VOCATIONAL EDUCATION. Since 1964 this program has sought to expand enrollments

in vocational education while more closely matching the supply of trained graduates with the needs of employers. Overwhelmingly the greatest portion of the Department's funds that contribute to students' employability is channeled through this program. Formula grants are made to states, which match the federal dollars with their own. In distributing federal funds to school districts, states must give priority to economically depressed areas and areas with high unemployment. States must set aside some funds for post-secondary institutions and are required to target portions of their grant to serve the economically underprivileged and the handicapped. They must also submit acceptable 5-year and annual program plans which demonstrate how local programs will meet labor market needs and provide equal opportunity to clients regardless of sex or ethnic background. Other parts of the legislation support consumer and homemaking education, bilingual vocational training, and program improvement and support services.

CAREER EDUCATION. Since 1974, the Federal government has supported demonstration career education programs designed to give all students a better understanding of work. Unlike training for specific occupations, which is typical of vocational education and appropriate only for some students, career education programs attempt to provide all youths with information on, and experience in, a wide selection of occupations. These programs will help students make career choices more consistent with personal values, goals, and capabilities.

Although the career education program initially consisted of competitive grants awarded by the Office of Education, the program is now more decentralized and consists of formula grants to states. The states education agencies, in

programs that serve youth (except the Young Adult Conservation Corps) continue to target benefits to those who are economically disadvantaged and either unemployed or in school.

The CETA youth programs, including those introduced by YEDPA are as follows:

YOUTH EMPLOYMENT AND TRAINING PROGRAM. This is a new formula grant youth program that directs local and state jurisdictions to design programs that will enhance the job prospects and career preparation of youths who have the severest problems in entering the labor market. In addition to subsidized part-time work experience in public agencies, YETP also authorizes a wide range of educational and support services. Through a provision that requires at least 22% of the funds to be used for in-school projects, the legislation encourages school districts and CETA agencies to plan together. Some services (guidance, information, placement, and referral) may even be provided to non-disadvantaged youths if it is perceived that changes in the delivery system for all youth are likely to benefit those most in need. In addition to the in-school program, other setasides are for statewide programs, services to migrant and farmworker youths, and research and demonstration. This latter piece more than triples the funds for research and demonstration available to the Department of Labor.

YOUTH COMMUNITY CONSERVATION AND IMPROVEMENT PROJECTS (YCCIP). This is another formula grant program under YEDPA. Its purpose is to enhance the vocational preparation of jobless youth through well-supervised work of tangible benefit to the community. Typical projects include weatherization or energy conservation, environmental protection and preservation, and home repair and

rehabilitation. Out-of-school youths are served almost exclusively, and they usually work full-time during the course of the project. Though similar projects could be carried out under the other youth programs, this program has a separate identity because of the desire of the Congress not to have a separate youth employment component in public works legislation that was being developed at the same time as YEDPA.

YOUTH INCENTIVE ENTITLEMENT PILOT PROJECTS (YIEPP). This experimental program tests whether or not providing jobs to poverty-level teenage youths will help them complete high school, as a foundation for career success. The $200 million experiment, which funds 17 competitively selected entitlement sites (7 large scale; 10 smaller scale) throughout the country over the two-year period, is the most costly social experiment ever conducted in the United States.

The jobs provided are usually lowing-paying, entry-level, and are part-time during the school year and full-time during the summer, as long as the participants agree to remain or return to school and to maintain established standards for performance and attendance both in school and on the job. Unlike other CETA programs, these subsidized jobs can be in private firms as well as public agencies.

During the second year of the program, additional funds became available to supplement or enrich the job guarantee with special educational services that would more closely link the students' work experience to their academic program. This "enrichment" program tests whether or not these supplementary services (1) attract more youths into the program, (2) improve secondary school retention and performance, and (3) improve participants' readiness to enter the job market and progress in their careers.

SUMMER YOUTH EMPLOYMENT PROGRAM (SYEP). This (relatively old) program employs economically disadvantaged youths during the summer for approximately nine weeks. It provides them with work experience that will prepare them for future employment while supplementing their income. More than 1.1 million jobs were supported in 1978.

JOB CORPS. This 15-year old programs assists young people who most need comprehensive and intensive programs of remedial education, vocational skill training, and other employability development services. Frequently the program is residential, with dozens of Jop Corps camps located around the country. Because it services the very neediest youths, it is the most expensive on a per capita basis.

YOUNG ADULT CONSERVATION CORPS (YACC). This program provides young people with occupational skills through productive work on conservation and other projects on public lands and waters. The work performed in similar to the kinds performed by the Civilian Conservation Corps of the 1930's. Unlike other CETA programs, it is open to all youths regardless of economic background and is administered by the Departments of Agriculture and Interior.

PRIVATE SECTION INITIATIVE PROGRAM (PSIP). Though this newest of CETA programs does not serve youth exclusively, it will have some impact on this client group. PSIP intends to develop programs that will benefit the private employers themselves as well as the CETA clients. The program began operations in 1979.

FEDERAL BUDGET POLICY FOR YOUTH EDUCATION AND EMPLOYMENT

Youth employment programs have enjoyed increasing popularity with the Federal government since 1978. In part, their popularity results from an appreciation of the youth employment dilemma, particularly the crisis among poor minority youths in large cities. In part, the programs represent a desire on the part of Congress for more equitable treatment of young people who will

go directly to work and not to college. Finally, there is a widespread feeling in both the Congress and Executive Branch that youth employment and education programs are a wiser investment than creating public service jobs for adults, since the latter program is quite expensive and is basically a stopgap or emergency measure. Whatever the reasons, youth employment is the only domestic program to receive an increase in the President's fiscal 1981 budget submitted to the Congress. Table 1 shows the 1979 and 1980 appropriations for school-to-work programs, as well as the 1981 budget request. Though the 1981 budget request is currently undergoing a reduction because of the desire for a balanced budget, it is evident that with few exceptions most of these programs are growing larger. Some of the more significant trends, which are based on pre-1979 figures in addition to the figures from Table 1, are as follows:

First and foremost, the CETA youth program will continue beyond its scheduled termination in 1980, although it will be consolidated somewhat in new legislation. Job Corps funding is increasing dramatically. More gradual increases are seen in vocational education and the Young Adult Conservation Corps. The $100 million increase in vocational education in 1980 is significant after several years of only moderate increases to keep up with inflation. Career education and (college) cooperative education, though small in relative terms, did much of their growing in 1979 and 1978, respectively.

The passage of YEDPA in 1977 signified a movement away from skill training and toward job creation for youth as the principal strategy for assuring a successful transition from school to work. Illustrating this shift of emphasis was the Federal government's expenditure of over $2 billion for YEDPA in

Table 1 SCHOOL-TO-WORK PROGRAMS, FISCAL 1981

DEPARTMENT OF LABOR
Employment and Training Administration
(in thousands)

	FY 1979 Continuing Resolution Appropriation	FY 1980 Conference Action	FY 1981 President's Budget
Youth Programs			
Jobs Corps	296,000	415,700	560,682
Summer youth employment	785,200	608,567	839,008
Youth Programs (YEDPA)	942,426	1,076,348	264,763
Youth community conservation and improvement program)	(107,100)	(134,008)	(0)
(Youth incentive entitlement pilot projects)	(107,100)	(0)	(0)
(Youth community conservation and improvement program)	(499,796)	(692,086)	(0)
(Young adult conservation corps)	(228,430) *E	(250,254)	(264,763)
New Youth Legislation	0	0	1,125,000 *I
Subtotal, youth progams	$ 2,023,626	$ 2,100,615	$ 2,789,454
Private sector initiative	$ 75,000	$ 325,000	$ 150,000

DEPARTMENT OF EDUCATION	1979 Total Estimate	1980 Appropriation	1980 Revised	1981 Request
Vocational and Adult Education				
Vocational education:				
State grants and innovative programs:				
Basic grants	474,766,000	562,266,000	562,266,000	528,871,000
Program improvement and supportive services	112,317,000	124,817,000	124,817,000	132,218,000
Programs of national significance	10,000,000	10,000,000	10,000,000	34,794,000
Special programs for the disadvantaged	20,000,000	20,000,000	20,000,000	20,000,000
Consumer and homemaking education	43,497,000	43,497,000	43,497,000	43,497,000
State advisory councils	6,073,000	6,500,000	6,500,000	6,500,000
Bilingual vocational training	2,800,000	4,800,000	4,800,000	6,000,000
State planning grants	5,000,000	5,000,000	5,000,000	5,000,000
Permanent appropriation	7,161,000	7,161,000	7,161,000	7,161,000
Subtotal - Vocational Education	681,614,000	784,041,000	784,041,000	784,041,000
Youth education and training (proposed legislation)				
Grants to local educational agencies	---	---	---	850,000,000
Planning grants	---	---	---	50,000,000
Subtotal - Proposed legislation	---	---	---	900,000,000
TOTAL	3,603,382,000	3,730,956,000	3,730,956,000	4,994,172,000
Career education incentive (P.L. 95-207)	19,500,000	20,000,000	20,000,000	20,000,000
Cooperative education (college)	15,000,000	15,000,000	15,000,000	23,000,000
Fund for the improvement of postsecondary education	13,000,000	13,500,000	13,500,000	17,000,000
Research and Development:				
Dissemination and improvement	25,012,000	22,014,000	22,014,000	25,700,000
Educational policy and organization	18,541,000	14,100,000	14,100,000	18,050,000
Teaching and learning	39,535,000	41,000,000	41,000,000	44,300,000
Subtotal	83,088,000	77,114,000	77,114,000	88,050,000
TOTAL	3,603,382,000	3,730,956,000	3,730,956,000	4,994,172,000

NOTE: Totals may not add due to rounding.

*E Reflects reprogramming of $11,530,000 of PSE Title VI funds for YACC.

*I Proposed for later transmittal.

1978-79, while keeping level-funded DOE's vocational education program. Recently, however, the pendulum has begun to swing back toward more skill training. For example, vocational education and Job Corps funds are increasing, CETA job programs are being cut somewhat, and the President is proposing a billion dollar grant program to the nation's 3,000 poorest school districts for remedial basic skills instruction and vocational training.

RESULTS OF PROGRAMS TO IMPROVE THE TRANSITION FROM SCHOOL TO WORK

A program by program analysis of results is difficult and somewhat misleading, since most of the programs overlap and serve similar groups. This section, therefore, will attempt to assess overall progress toward policy objectives and will cite individual programs where the evidence is clear on their relative contribution toward these ends.

YOUTH UNEMPLOYMENT. Despite the expenditures of billions of dollars over a 15-year period to improve the employment, employability and educational attainment of youth, their situation has not improved. For some groups, especially economically disadvantaged youths in cities, unemployment has reached crisis proportions. In the most comprehensive review ever of this problem, the Vice-President's Task Force on Youth Employment, recently cited the following facts which describe the essence of the youth employment dilemma: 1/

- Nearly half of all unemployment is accounted for by persons under the age of 24.
- Though employment for the 16-24 age group more than doubled between 1962 and 1978 and increased faster than the growth of that ("baby boom") cohort (80% increase), this was not enough to accommodate the much greater desire for jobs by these cohorts compared with previous cohorts of the same age.
- With respect to unemployment, youth from poor families are increasingly worse off relative to those from middle income and rich families. In March 1978, the unemployment rates of white and non-white disadvantaged youth stood at 25.5 and 40.8%, respectively. Even these terribly high rates understate the number of low-income youth who want to work, since the statistics do not include those who become discouraged and drop out of the labor force.

- Most youth suffer some period of unemployment which in most cases is not harmful. For other youth, the burden of unemployment is quite serious, especially for those who are non-white, low-income, drop-outs, and unwed mothers and those who live in poverty areas. The positions of these groups relative to favored groups are worsening, especially in cyclical downswings.

- Racial disparities are increasing. The increased equality for minority adults has not "trickled down" to minority youth. Despite the rapid growth of private sector employment, the expansion of public programs have provided most of the jobs for minority teenagers. Despite these programs, minority youth from low-income families start part-time employment at a much later age than most youth and their transition to career jobs tends to be later and more difficult. These phenomena are reflected in progressively higher unemployment rates and a decline in the employment/population ratios of non-whites compared to whites.

- The employment of non-white youth apparently suffers from their concentration in poverty areas of large cities. Nearly 41% of non-white youth as opposed to only 6% of white youth live in poverty sections of metropolitan areas. In these areas, demand conditions are poor, as reflected in the high adult unemployment rates of 10.2%, as compared to 4.5% in all nonpoverty areas. Youth must compete with adults, then, even for the low-level jobs in poverty areas.

- Among minority youths in cities, relatively low levels of educational attainment and functional literacy are seen as symptoms and not necessarily one of the reasons for urban decay and the lack of jobs. One study showed the rate of functional literacy for poverty area 17-year olds was 21.5%, compared to about 87% for 17-year olds in the nation as a whole.

- Possibly associated with the high concentration of disadvantaged youths in poverty areas within cities is the fact that most youth unemployment occurs among young people who cannot find jobs for long periods time. Between 70-80% of total weeks of youth (16-24) unemployment were borne by the 10% of young workers with 15 weeks or more of unemployment. The 7% of young white females with 15 weeks or more of unemployment account for 65% of the weeks lost by all young white females. The 18% of young black females with 15 weeks or more account for 77% of the weeks lost by this group. The 11% of white males, for 70% of their weeks lost; and the 21% of black males, for about 82% of their weeks lost. Among blacks, 5% of the females and 6% of the males did not find <u>any</u> work during the year; they accounted for 36% and 30%, respectively, of the weeks lost by their group.

In the Vice-President's report, the editors summarize this state of affairs as follows: 2/

> "There is increasing consensus that supply explanations for youth employment problems may not be as relevant as demand explanations. Those who would explain away youth unemployment, and particularly minority youth unemployment, by high turnover, volatility, seasonality of employment or lack of values are hard-pressed to support this claim for more than a tail of the severity gradient. Where jobs are available, youth fill them. Many of the alleged supply-side shortfalls such as lack of dependability or awareness of job mores are simply the cumulation of stunted past opportunities. Supply variables affect the rationing of opportunities much more than the level. In the central cities and poverty areas, the problem is not basically the inadequacy of individuals but the shortage of opportunities."

The primary reasons for declining job opportunities for minority youths in central cities are:

- The flight of business and industry with low-level service jobs from the central cities to the suburbs or to other regions of the country, which puts young people in competition with adults, especially women, for the remaining entry-level jobs;

- The geographic concentration of minority youths in the inner city, along with the rapid increase in the number of minority teenagers (this increase will continue while the population growth of white teenagers will diminish);

- A reduced willingness by minority youths, especially older youths, to accept low status and low paid jobs;

- Higher absenteeism and dropout rates of non-white teenagers in the school system. Also, a decline in school quality.

- Racial and educational discrimination in the labor market, generally characterized by the inflexible use of credentials in the selection process;

- Inadequate transportation to where the jobs are. Teenagers typically have jobs with irregular hours, and public transportation systems are organized to serve adults with regular working hours;

- Laws and regulations that make employment for young people difficult, such as the minimum wage and the fixed costs that employers have for all employees, including inexperienced youths, such as social security, unemployment insurance and workers' compensation.

Particularly discouraging is that the unemployment of minority youth in cities grows and grows despite the incredible increase of local and state revenues that comes from the federal government. Through 491 grant programs ranging from health to housing, federal aid now represents more than a third of total state and local revenues, up from only a tenth just 20 years ago. In a study of 15 of the older, larger cities (excluding the special case of New York City), an estimated 47.5% of general revenues in 1978 came from the federal government, up from only 1.1% in 1957 and 5.2% in 1967.[3/] Some cities, of course, are worse than this average. In Detroit, federal grants amounted to about 70% of all revenues; in Cleveland 68% and Buffalo 62%.

Currently CETA and its youth subcomponents (YEDPA) are the major federal programs that address the problem of youth joblessness. Along with its MDTA predecessor, which lasted from 1962-1973, CETA has not had much impact on the problem. Some contend that the resources expended were insufficient to do the job; other contend that the programs were either poorly designed or managed and too immersed in bureaucracy and paperwork; and still others claim that manpower and vocational education programs only can be effective when the economy is growing and full employment is approached.[4/] One observer noted that in the absence of a healthy economy, "the federal government can hardly do more than provide opportunities for countercyclical public service employment, and provide transfer payments to ease the economic privation of those who are jobless."[5/] CETA, then, is largely an emergency stopgap measure which to be effective must be coupled with state and local resources during hard times and an eventual economic recovery of the area.

Despite sharp differences of opinions on the effectiveness of CETA and its MDTA predecessor, there is a fair degree of consensus that these programs

do bring recipients from deep poverty to its upper levels and that public employment programs and manpower services can assist in raising earnings, especially among deprived youths who lack skills and adults with little significant work experience.[6] Unfortunately, when these beneficiaries of federal manpower programs move up, disadvantaged nonbeneficiaries move down to take their places. Hence, the trainee benefits, but from the point of view of society there is no net gain. Unemployment and poverty remain unaffected. What the employment and training program has done is to reshuffle unemployment and low earnings within the disadvantaged population. Reshuffling poverty between the disadvantaged and advantaged population is unlikely so long as the growth in the number of people seeking jobs exceeds the growth in the number of new jobs created by the economy, and the advantaged population increases their credentials in order to maintain their advantage. The question then, for policy-makers is to what extent should public funds be used to raise the relative credentials of what portion of the unskilled and disadvantaged. That is, there is a point at which enrolling more people in these programs or spending more money per client, will not yield benefits commensurate with the added cost. Social policy research has yet to discover these critical points.

QUALITY OF YOUTH EMPLOYMENT. While obtaining work is a problem for disadvantaged and minority youths, particularly if they live in urban slums, finding career-related work that has advancement potential and access to further training is a problem for most youths, regardless of their economic status. The problem has been getting worse since youths have been getting a progressively greater share of the low-paying, low skilled jobs in the society, and they are keeping these jobs longer than their predecessors from previous generations.[7]

YEDPA has had little success in creating new career opportunities for disadvantaged teenagers. There are a broad array of work options available under the new youth programs, but the preponderance remain entry clerical, maintenance, social service aide and environmental conservation positions. The efforts to link youth jobs to aptitudes and aspirations have been limited, and evaluators of YEDPA have questioned the whole concept because of the limitations in available work options and the uncertainty of youth participants about what they want to do until they have gained some work experience. Also, potential job progressions within programs have not been fully utilized because of the categorical nature of intake, assessment, and assignment. 8/

Of all the CETA youth programs, the one that has been criticized the most for having low quality jobs is the summer program. A recent congressional report charged the program had slack time and attendance procedures, too little work for participants and poor supervision. Though the Labor Department is monitoring this program more carefully, there is now a move to reduce the overall size of the summer program while integrating it more with the school year program.

Despite the scarce evidence of substantial short-term post-program employment and earnings gains resulting from the limited duration work experiences supported by YEDPA, these jobs probably contribute to a cumulative experience that will increase the participants' earnings and job satisfaction over the long run. There does seem to be consensus that the state of the art has advanced sufficiently to support this hypothesis. Today's programs are more likely than their MDTA predecessors to tie together skills training, work experience, and support services in a way that promotes personal growth and development. Nonetheless, to assure that programs do not slip back into a simple income transfer mode, they must be continually monitored and evaluated.

Large-scale, control group experiments now underway under YEDPA with school-to-work transition services, job search assistance and pre-employment services for out-of-school youth should provide some better indicator of input, but the evidence is a year away.

INSTITUTIONAL CHANGE. YEDPA attempts to forge greater links between manpower agencies and the schools than other CETA programs that serve all age groups of workers. Provisions such as mutual sign-offs, budget setasides for educational agencies, and representation from educational agencies on the local planning bodies are designed not only to foster coordinated interagency planning, but also to encourage the schools to broaden their offerings and learning environments in order to serve better the poor who lack motivation or success while in high school.

An 18-month study shows that YEDPA has had only limited success in improving school services to low-income students. Schools have used YEDPA money mostly to provide labor market services, including vocational exploration, although there are a few instances in which schools have created alternative programs for low achievers and potential dropouts. Progress has been the most noticeable where there had been little or no pre-YEDPA contact between CETA agencies and the schools. Since prior to enactment of this youth legislation more than half of CETA enrollees were under in-school programs, and since there was political pressure to begin expending these new funds immediately after they were appropriated as part of the economic stimulus package, there were few communities indeed that instituted new collaborative programs and relations. Real changes occurred when the extra resources under the Youth Employment Training Program (YETP) provided the wherewithal for collaboration that had already been nutured (prior to YEDPA), and where CETA agencies and the schools simply got the message that cooperation was fashionable. 9/

Another investigator concluded that YEDPA could have had greater impact on the schools if more attention had been paid to enchancing local problem-solving capacity with correspondingly less reliance on regulation and administrative controls. Moreover, in order to harness the self-interest of local actors to the federal purpose, the major focus should have been the provision of technical assistance and training at the delivery level and to strengthen coalitions of critical actors in the youth employment delivery system.[10/]

MARKETABLE SKILLS. Despite a steady increase in financial support for vocational, career, and basic skills education, and despite public belief in a high correlation between education and occupational success, there is substantial evidence that many young people leave school with inadequate basic learning skills and work habits desirable for labor market entry[11/] and that vocational education pays off only for women graduates who have concentrated on business and office skills and for men who have taken additional (postsecondary) training after leaving high school.[12/]

The decline in basic learning skills particularly writing and computation skills, among high school age youths has continued since the 1960's. This conclusion holds across most different assessment instruments, alterations of these over time, and varying compositions of the types of students taking these tests. Perhaps the most thorough analysis of score decline was for the Scholastic Aptitude Test (SAT) which is used to screen students for admission into college. The investigating panel found that about two-thirds of the decline in SAT scores between 1963 and 1970 was due to a compositional change in the SAT-taking groups; that is, increased numbers of individuals from groups that tend to score low began taking the SAT. But there is also

consistent evidence of a pervasive score decline since 1970 within all categories of SAT-takers. Most of the verbal decline is accounted for by a drop in writing and vocabulary scores.[13/]

Several studies indicate there is little evidence to support the proposition that employers are notably handicapped by the fact that some employees lack the basic skills.[14/] The fact that the economy is generating lower skilled jobs at a faster rate than higher skilled jobs possibly explains this lack of handicap. Moreover, the declining quality of jobs for youth possibly contributes to their decreasing desire to master these skills. Regardless of which element is causal — the lack of basic skills or the lack of job opportunities — the fact remains that individuals without these skills will have difficulty in finding work, since research suggests that learning the work and getting hired frequently require higher levels of literacy than doing the work.[15/]

The acquisition of job specific skills through Federal vocational education and manpower programs has neither alleviated poverty, improved the economic position of youth relative to older persons, nor contributed much to productivity and the nation's economic development. These results are unlikely to improve so long as the U.S. labor market is considerably shy of full employment. The programs are simply better at developing marketable skills thanmarketing them. On the positive side, the 16-year-old vocational education legislation did enhance the status of vocational education, expanded enrollments (though not nearly as fast as the increases in appropriations), leveraged the expenditure of state and local funds, and developed a network of boards and

advisory committees that effectively lobby for vocational education. Moreover, the program has remained popular with students, the general public, and the Congress.[16/]

KNOWLEDGE ABOUT WORK. That many youths lack factual knowledge about the realities of the labor market is well documented. They know little about the nature of different occupations, about employment prospects, and about the educational and experience requirements for career entry and progression.

Preliminary evidence suggests that the relatively recent (federal) career education and youth employment programs are helping to improve this situation. Career education has spread very quickly throughout the nation's schools, despite extremely little federal seed money and evaluations which clearly demonstrate what works. Youth employment programs for the underprivileged are much more oriented to career development than youth programs of earlier decades. And much more attention is now being paid to disseminating high quality occupational and career information that is up-to-date and locally relevant.

Thus far it appears that knowledge of the labor market is best obtained through courses of study that have a work experience component, either paid or unpaid.[17/] In addition to learning about work, these programs frequently help students develop academic competencies in the workplace itself. A majority (64%) of the nation's high schools now offer academic credit for off-campus work experience or training.[18/]

Also effective are career information systems that are part of an overall career guidance program in the school. These systems

variously use computers, needle sort cards, and microforms to retrieve the information. Seed money from the Department of Labor established career information delivery systems in eight states that won competitive demonstration grants in 1975. In 1979 the program was spread to an additional 15 states under the auspices of the National Occupational Information Coordinating Committee, which receives funds from both the Departments of Labor and Education. A few other states have initiated similar programs with their own funds.

Despite the apparent effectiveness of the work experience and information system strategies, the greatest effort by local and state education agencies has been to infuse career education concepts into classroom curricula. Though some classroom-based programs have expanded the career awareness of students, evaluation evidence accumulated thus far suggests that incorporation of occupational information into secondary school curriculums is generally not effective, unless students are actively involved in using the information in "learning by doing contexts". It should be noted that the infusion model is enjoying more widespread use and success at the elementary level than at the secondary level.[19/]

SELF-KNOWLEDGE IN RELATION TO CAREERS. Students do not know much about their own abilities and aptitudes that might be useful in selecting an appropriate career or in considering further educational experiences. Several educational initiatives at the local, state and federal levels attempt to address this problem, but it is not known yet how well. Local schools and state education agencies have inaugurated programs of minimum competency testing and requirements for graduation. Career education and youth employment programs have given added emphasis and prominence to career

(as opposed to psychological) counseling in the schools. And government-sponsored as well as private sector research and development has produced dozens of tests, inventories, and games to discover and match individual abilities and interests with labor market opportunities. Possibly these efforts collectively will gradually effect a swing of the pendulum that will counter the previous swing to (or at least neutralize some of the objections toward) pass-fail grading, grade inflation, automatic promotion, open enrollment, and the lowering of academic standards and entrance requirements in higher education.

OCCUPATIONAL SOCIALIZATION. The early socialization of young people into occupational roles is unduly limited by sex, ethnicity, and social class; and the schools contribute to this problem. The late 1970's witnessed an explosion of federal and state interest in this issue, and it is probably still too early to tell whether the socialization of American youth has changed much as a result of these efforts. Women's equity and ethnic group concerns are represented bureaucratically in both the Department of Labor and Education; federal and state human resources legislation is replete with requirements not only to avoid sex and race stereotyping but to encourage employment and training for women and ethnic minorities in "non-traditional" occupations where they are underrepresented. Finally, there are dozens of research and demonstration projects that variously purge stereotypes from textbooks and audio-visual materials, improve performance of women in mathematics, encourage enrollments of women and ethnic or racial minorities in non-traditional fields of study, etc.

CERTIFICATION OF COMPETENCIES. Competencies learned in school are not certified in ways useful to students' continued education or to entry

and progression in various occupations. Employers who wish to conduct their own hiring assessments are somewhat constrained by legal decisions that prohibit testing that would discriminate unfairly against certain groups. Federal policy currently gives a gentle nudge toward developing, evaluating and using innovative competency-based education and assessment techniques. It is also monitoring state and local efforts to award competency-based high school diplomas, including those that certify minimal functional competence for graduation. Evidence is still scarce on whether these federal efforts are having any direct or indirect impact on the transition from school to work.

JOB PLACEMENT ASSISTANCE AND PRIVATE SECTOR LINKAGES. Though placement assistance is being made available to some disadvantaged students through CETA and its youth subparts, as well as to vocational graduates of schools and community college programs (with the help of federal vocational education funds), most students get no assistance in finding and keeping unsubsidized jobs. Out-of-school youths are served largely by state labor exchange agencies, usually called the "Employment Service "(ES), but ES serves only a minute percentage of students. But a recent national study of school districts indicates that this situation is improving rapidly——over half of the school-based placement programs in existence in 1976 were begun during the previous five years.[20/] Though there are several successful school placement models which do indeed decrease job search time, most schools still do not routinely provide such services and are reluctant to spend increasingly scarce funds on such non-instructional services.

The weakest link in the CETA system as a whole, and in the youth employment delivery system, especially, is the connection between youth

employment services and the private sector. Private employers occasionally are active in advisory groups, cooperate with work experience programs, and attempt to influence the schools to better prepare young people with basic skills that are adequate for entry-level employment. Unions have been even more distant. The few outstanding cases of private sector linkages seem to have come about as a result of school system actions rather than the CETA-initiated activities.

A recent Labor Department study claims that private sector employers are unlikely to hire substantial numbers of low-income youths, no matter how many and what kinds of "bribes" the federal government offers. For example, the Youth Incentive Entitlement Pilot Projects (job guarantee) experiment revealed severe limits to the private sector's willingness to create part-time and summer jobs for high school students and dropouts who agreed to return to school and earn a diploma. Even with the federal government paying 100% of participant wages, the private sector provided only 15% of the jobs created under the program.[21/] The explanations for the lack of private sector involvement in such programs are that (1) employers can meet most of their labor needs without becoming involved with subsidized employment and training programs; and (2) employers seem generally to regard young people as ill-prepared for labor force entry.

In addition to their lack of interest in subsidized programs, private employers are reluctant to hire disadvantaged youths who leave these programs. In 1978 less than a fifth of terminees of YETP and YCCIP (community conservation and improvement) entered private employment, with the rest returning to school or other programs or non-positively terminating.[22/]

If it can be assumed that a major goal of federal youth employment policy is to move young people into unsubsidized employment, not to create a publicly subsidized secondary labor market, then it makes sense to focus on measures that demonstrate the economic productivity of young people to private sector employers. Private Industry Councils are a step in this direction, though their effectiveness remains to be seen.

DROPPING OUT. School dropout rates have remained about the same for 15 years. About 25% of the young people who enter high school fail to graduate. There is little evidence that enrollment in vocational education has any effect on completion of high school. Only recently has any federal manpower program involving supported work experience affected dropout rates. Specifically, the Entitlement or job guarantee experiment revealed that jobs can be used to lure poor youth back to school and to forestall early leaving. The effective dropout rate has been reduced by about 10% in the Entitlement sites, and about one-third of the eligible dropouts have been lured back to either school or an equivalent diploma program, such as the General Educational Development (G.E.D.) program. Dropout enrollment at local sites only increased when separate, attractive educational components were introduced, particularly under the "Enrichment" program which added educational services to the job guarantee during the second year.[23/]

DELINQUENCY PREVENTION. Since the early 1960's, advocates of public employment and training programs have claimed that youth job creation will prevent youth crime, drug abuse, and other symptoms of discontent. Social scientists have yet to come up with good ways of measuring "prevention". Nevertheless, the limited evidence available suggests that for youths 17 years

of age and under, access to jobs is of no significance as a deterrant to illegal activity. If anything, juvenile delinquency fluctuates with the level of economic activity, i.e., it rises during periods of economic growth and slackens off during recession.[24/] Though occupational identity is thought to become important around ages 18 to 221, there are no national time series data with which to test (for this age group) the relationship between delinquency and fluctuations in employment opportunity. Drawing policy conclusions from the myriad of available studies is hampered further by inadequate measures of crime and juvenile delinquency and of the quality of the work experience itself.

Of the current federal youth programs, one—the Entitlement program—attempted to investigate the relationship between job opportunities provided by the program and youth crime. This experimental program documents a one-sixth drop of arrests for youth during their participation.[25/] It is still a leap of faith, however, to assume that arrests are a proxy for criminal activities.

FEDERAL POLICIES PERTAINING TO CAREER AND LIFE REDIRECTION AND RENEWAL

INEQUITIES IN THE DISTRIBUTION OF EDUCATION, WORK AND LEISURE. The basic problem among adults in the United States is not a shortage of skilled individuals, but a shortage of jobs - unskilled or skilled. The problem is larger than the current economic difficulties. For the last half century, the United States has not been able to provide jobs during peacetime for everyone able and willing to work.

Increasing competition for jobs has resulted in the compression of work, especially highly skilled work, into the middle period of the life cycle.[26] Although this long historical trend has had basically healthy features (e.g., child labor laws, retirement with a pension), there is evidence that the trend has gone too far. More and more, middle-aged people are monopolizing career-related jobs, thus forcing many young people to defer their entry into career-related work for an unnecessarily long period.[27] Meanwhile, the age of compulsory retirement has been lowered to the point where retirement for many has become a predicament rather than a welcome rest from a life of work.

The progressively inequitable distribution of career-related work among the three large age cohorts has led to a rigid sequence - from school during youth to work during midlife to leisure during old age. The lockstep is especially frustrating for youths and retirees, both of whom want more work, independence, and responsibility. There is also evidence that a significantly large minority of prime-age workers want more leisure or want to change jobs or careers. However, they do not wish to sacrifice too much of their economic security and job status to get the time off to pursue these goals.

A combination of social and demographic forces will soon exacerbate the inequities in the distribution of work, leisure, and education. Younger and older people will experience greater difficulties than before in getting or keeping career-related work. Youths will compete directly with middle-aged women who are re-entering the labor force for the entry-level career-related jobs. Prime-age workers will find it more difficult to get career-related work if they do not have it, and if they do, they will find it more difficult to get promoted or to change into some other occupation providing similar job

status and pay. This job stagnation or reduced occupational mobility will occur precisely at a time when other social forces will act to increase the desire for both vertical and horizontal occupational mobility. The resulting dissatisfaction with career progression could well result in diminished worker productivity.

What, then, are these social and demographic forces that are likely to inhibit occupational mobility while other forces increase the desire for it? First is the imminence of a "promotion squeeze" or a lesser amount of vertical career mobility within the middle-aged cohort - as the large, well-educated baby-boom generation attempts to move past the lower echelons of the occupational ladder, as the younger, better educated members of minority groups seek the job opportunities denied their parents, and as more women become full-time career workers. More people will compete for the relatively limited share of preferred jobs, and because of the higher occupational expectations resulting from higher levels of educational attainment, a higher proportion of middle-aged workers than in the past, particularly white males, will become unhappy with their progress. Further, this state of affairs will work to the disadvantage of younger workers, who will not be able to dislodge experienced workers who are "stuck" above them, and it will bring additional pressure for even earlier compulsory retirement.

As demographic trends make promotions more problematic, the ever-present job shortage situation will make it more difficult to change jobs and careers. Public employment programs have had some effect in increasing the number of jobs, but so far they have been unable to satisfy the demand for long-range career opportunities.

While the present economic situation in the United States discourages occupational mobility, the desire to change careers is heightened by: 1) the increased awareness of different kinds of work, caused by a more highly educated work force and increased coverage by the mass media; and 2) increased willingness to risk leaving one's job or occupation as larger proportions of adults are free of dependents for greater portions of their lives. These decreasing dependency ratios result from later marriages, smaller families, nuclear families (two generations in residence), double-income households (both spouses working), more frequent divorces, and financial self-reliance during old age.

For the rest of this century, economic and demographic factors will probably be too strong to permit the degree of occupational mobility that will satisfy the increased desire for career change and improvement. Unless some effort is made to restructure or redistribute work, continued high unemployment can be expected along with increasing amounts of job stagnation, boredom, and the underemployment of skills and knowledge provided by formal education. However, a negative aspect of redistributing work is that higher aggregate wage costs for an industry might be associated with constant output, thereby reducing productivity.

NATIONAL POLICY TOWARD ADULT, CONTINUING AND RECURRENT EDUCATION. Of the many proposals to enhance career development and inequities in the distribution of education, work and leisure, one of the most visible and heavily publicized has been called lifelong learning or recurrent education. This approach, as embodied in the Lifelong Learning Act of 1975, assumes that greater equality of economic opportunity will result from greater equality of educational opportunity. The fact that this Act has never been funded reflects lack of national consensus on the relative importance of educational opportunity for adults.

Aside from failure of past federal investments in education and training to pay off in an expanded national supply of jobs or a greater degree of employment for the work force as a whole, additional federal incentives for adults to continue their education would not seem to be necessary or merit priority for the following reasons:

- The number and proportion of adults who participate in part-time education has been increasing. Despite some federal support for part-time learning, such as CETA and Veterans Educational Assistance (GI Bill), most of this expansion has occurred without corresponding increases in federal support.
- Millions of workers don't take advantage of educational opportunities even when they are made available at no or low cost by their employers or by local adult schools or community colleges.
- Among the additional fringe benefits desired by American workers, education and training benefits are given low priority.
- While many people achieve low levels of education and are functionally incompetent, a larger and faster growing proportion of workers are becoming overqualified for their work, as their acquisition of skills and education increases faster than the skill levels needed to perform jobs.

Even if it were assumed that having more adults enrolled in education or training programs is in the national interest, such increments in enrollments are as likely to result from a more equitable distribution of work and leisure as from increased availability of education programs per se. Evidence suggests that, once a person advances in age beyond his/her mid-twenties, participation in educational activities for the purpose of improving or maintaining career status is as likely to result from the kind of work that one does as to lead to such work.[28/]

Although there is no empirically supported rationale for increasing the federal financial contribution to adult and continuing education, there is similarly little evidence to suggest that low income adults who wish to study

less than half-time should be excluded from federal student aid programs. Current federal grant and loan programs for higher education forbid less than half-time study among recipients. Whether or not this requirement should be changed is one of many issues now under consideration for the reauthorization of the Higher Education Act.

FEDERAL ROLE IN MEETING CRITICAL PERSONNEL NEEDS. While mere expansion of educational opportunities by the federal government would be unlikely to satisfy the various desires among adults for more jobs, better jobs, or different (career change) jobs, federal programs are likely to continue to support various types of professional, technical and managerial training designed to address anticipated or actual critical shortages of highly skilled personnel. Since human resource shortages result from changing national conditions and Federal priorities, at one time or another nearly all Federal agencies have had programs to address personnel requirements related to their missions. For example, the National Institutes of Health have long been concerned with the preparation of scientists to work in biomedical and behavioral research and teaching in which critical personnel needs exist. The Department of Transportation has supported the training of urban mass transit specialists, and the Department of Housing and Urban Development has provided for the education or urban housing and other specialists.

Many Federal human resource requirements are met through support for programs in graduate and professional schools. Those engaged in graduate and professional programs tend to seek employment and produce knowledge for the national rather than the local market, and thus constitute an important national resource.

Federal attention graduate to education has been sporadic, usually indirect, and reflective of immediate concerns which have animated American society at

particular times. For example, recognition that special attention must be given to the support of basic research and education in the sciences led to the creation of the National Science Foundation (NSF); fellowships and traineeships in the sciences became an important aspect of the NSF program. The Higher Education Act of 1965, as amended, incorporated in Title IX two types of programs directed to graduate education: grants to graduate students in the form of fellowships; and grants to institutions for general supplemental assistance. (Between 1966 and 1973 substantial fellowship money was provided under Title IX to persons preparing for careers in postsecondary education, but no funds were appropriated for grants to institutions or general assistance to graduate schools. Currently only a limited number of special-purpose fellowships in public service and mining are being supported under this title.) The newly established Graduate and Professional Opportunities Program will provide funding for graduate instruction for members of groups underrepresented in professions and academic field.

By the early 1970's it had become clear that market demands for the highly educated had peaked. In consequence, the Federal government sharply reduced its support for graduate education; while in 1968 Federally-supported predoctoral fellowships and traineeships had totaled more than 50,000, the only significant fellowship programs now remaining in effect (the NSF Merit Fellowship Program and the NIH National Research Service Award program) support only about 2,000 new students each year. Other federally-funded graduate programs have sharply declined or been terminated.

As Federal fellowship and traineeship funding disappeared, graduate students relied increasingly on loans, particularly those provided through the Guaranteed

Student Loan Program. In addition, the Federal College-Work Study Program (low paying part-time jobs for low income students) has been utilized as a limited source of support for graduate students. The G.I. Bill has also been signficant in providing support. It should be recognized that graduate programs bear even less of their costs than do undergraduate programs. In this respect, fees from undergraduates, in essence, subsidize graduate students. As financial pressures increase and the actual costs of various elements of university-based education are revealed more precisely, the bulk of this burden may need to be shifted to other sources.

IMPACT OF GOVERNMENT PERSONNEL PRACTICES ON EDUCATION. Great expansion of government and the non-profit sector generally during the 1960's and 1970's accounted for a large majority of the new jobs created for college graduates, particularly graduates from minority groups. Since most of the jobs in this sector were in the human services, a college degree was frequently required, and government raised its (educational) hiring requirements accordingly. Now that the supply of college graduates exceeds and is growing much faster than the demand, government agencies are tempted to raise their hiring standards beyond what is required for the jobs. Two countervailing forces, however, are slowing this trend: legal judgments or precedents that prohibit the use of credentials to discriminate unfairly against the hiring of minority groups; and affirmative action policies that attempt to improve the racial mix of employees in the higher status jobs. Despite these forces, it is commonplace in government to see college graduates displacing non-college graduates from many of the paraprofessional jobs in the human and social services.

Perhaps the most serious problem for future college graduates will be the slower growth of the non-profit and government sectors. Whereas 71 percent of the new jobs created for college graduates (and 75 percent of all jobs for black college graduates) between 1970 and 1975 came from this sector of the economy (13 percent more than the previous decade), this proportion will decrease considerably as the growth in this not-for-profit sector slows due to the current disenchantment with big government.[29/] The main result is that college-trained persons, in order to find work at all, are increasingly accepting jobs in other than professional or administrative fields. This is manifested by a gradual deterioration of the earnings of college graduates relative to high school graduates, with the notable exception of blacks for whom a college degree still provides great labor market advantages.[30/]

IMPACT OF THE SUPPLY OF EDUCATED PERSONNEL ON LABOR MARKET DEMAND AND THE ORGANIZATION OF WORK. Contrary to expectations of "human capitalist" economists in the 1960's, the increasing educational attainment of the labor force has neither paid off in terms of increased productivity nor in the creation of more interesting jobs (as employers consider how to adjust the demand to fit the supply). What seems to be happening instead is that:

- The economy is creating lower-skilled, low-paying jobs at a faster rate than higher skilled jobs, as the jobs that are becoming automated include a higher proportion of the higher than the lower-skilled jobs.
- More highly qualified workers "bump" slightly less qualified workers from jobs that usually do not require higher skills; productivity may actually drop because the more qualified worker is likely to be dissatisfied with the job.

. Employers tend to redesign jobs and make them more attractive when there is labor shortage; for almost all occupations in the United States today, just the opposite is the case.

Although there is little evidence to suggest that a more highly educated work force is improving the quality or content of work, the increasing overqualification of workers is possibly improving working conditions, as more workers have the educational backgrounds to articulate their dissatisfactions. More attractive plants and offices, the introduction of flex-time and alternative work patterns, greater participation of workers in corporate decisionmaking, and more industrial recreation and educational opportunities are examples of improved conditions.

IV. LOCAL CASE STUDY OF AN EDUCATION AND WORK DELIVERY SYSTEM: SEATTLE, WASHINGTON

Seattle is the largest city in the northwestern United States, with some 1.5 million people in the metropolitan area. Like many American cities, its population has stabilized, while considerable growth has occurred in the surrounding suburbs. The economy of the area is booming relative to the nation as a whole due to the presence of a strong aerospace industry (Boeing Company) and strengthening economic ties to Alaska, Japan, and China. Though the proportion of minorities (Blacks, Hispanics, Asians and Native Americans) is low, it is increasing very fast, particularly within the school-age population (in the Seattle schools, 40% are minorities). The Seattle labor market is heavily unionized (about half the work force), and its labor force participation rate (75%) considerably exceeds the national average (63%). Despite the increase in the number of youth jobs and the number of jobs per capita for this age group, youth unemployment is much higher than adult unemployment, and poor youths in the City have significantly higher unemployment than their more affluent peers in the suburbs.

Thanks to an expanding economy, Seattle has been comparatively successful in helping young people make the transition from school to work. An impressive array of more than 100 public and private training institutions in the metropolitan area provide vocational training to over 40,000 students in some 180 occupational areas. Most of the training in the high schools and proprietary schools is in the business and office, marketing and sales fields, while most of the training in the postsecondary schools will help graduates enter the technical and crafts occupations. Postsecondary institutions

(community colleges and vocational-technical institutes) typically offer training in several occupations; proprietary schools generally offer training in only one field; and high schools offer a mix of pre-vocational training and job specific training in a few broad occupational clusters.

The major components of the delivery system for linking education and employment in the Seattle area include the high schools, vocational-technical institutes, community colleges, CETA-funded community-based organizations, proprietary schools, and, of course, the employers themselves. General descriptions of their respective programs are as follows:

High Schools. High schools in the Seattle area vary considerably with respect to the emphasis they give to career development and occupational skill training. All have vocational education programs, but some programs are extensive and some are not. In the Seattle Public Schools, relatively little emphasis is given, as demonstrated by the fact that only 8 percent of the instructional hours in grades 9-12 are for State (of Washington)-approved vocational courses. Much more emphasis is given in such suburban districts as Highline and Renton. Highline, for example, operates an occupational skills center which provides advanced skills training for students from any high school within the district. Students spend half the day at this facility and the other half at their regular school. Renton operates a vocational-technical institute that provides advanced training to its high school students, but more often to adults who reside in the Seattle-King County area.

School districts also vary considerably with respect to the availability of career education, guidance, information, placement, and experiential

learning in the workplace. Most high schools have career resource centers, which include published occupational materials and a computerized career information system, which is operated on a statewide basis and assisted with federal funds. Some of these centers are staffed by professional career counselors (Highline calls them "vocational information specialists"), but most are staffed by paraprofessional assistants (as in Seattle) who work closely with the counseling staff. Through some of the career resource centers, some school districts operate job placement services, but most do not. The Seattle schools do not provide job placement assistance, but they are hoping to offer such a service soon with the help of CETA youth funds.

Several high schools offer world of work or career education classes as electives, which have proved popular with the students. Some of these classes include a practical component, such as job shadowing where the student observes a worker on the job and performs some work tasks under his or her supervision.

Most high schools provide academic credit for actual paid work experience, so long as State guidelines are met that assure the educational relevance. Many students who receive credit are enrolled in cooperative education classes, where skills training takes place both on the (unsubsidized) job and in school. Another large proportion of (low-income) students receives credit for CETA-funded subsidized jobs. Some schools provide credit on an individual basis for students who demonstrate concurrent learning that is relevant to their educational program.

Only a very few high schools have introduced alternative experiential learning models that use the workplace as a setting to develop academic competencies. Many of these models have been developed with federal funds

and are just now beginning to be tried in the Seattle area.

Vocational-Technical Institutes (VTI's). These are operated by school districts for individuals of all ages who wish to learn entry-level, job specific skills. Two VTI's exist in the Seattle area—Renton and Lake Washington. Among other things, these institutions offer preapprenticeship training in a number of manufacturing occupations. The VTI's have good relations with labor unions and large employers and are noted for equipping graduates with skills they need to enter specific trades.

Community Colleges. Eight community colleges exist in the Seattle area, including three campuses in the City itself. These provide vocational education for job ready students, general studies for those who wish to continue their education in four-year institutions, and continuing education for adults who desire occupational, home or leisure skills. Vocational training at the community colleges is more theoretical and less oriented toward specific job entry skills than the VTI's. While the VTI's are almost totally oriented toward career entry in specific fields, the community colleges offer a broader general education along with the specific occupational training. In addition, the community colleges are charged by the State to offer adult basic education to illiterate adults and adults who speak English as a second language.

CETA-Funded Community-Based Organizations. Two organizations are largely responsible for providing CETA clients with occupational training. One is the Seattle Opportunities Industrialization Center, which offers training in about 15 fields and provides related services such as counseling, testing, and placement assistance. The other is the Operation Improvement Foundation,

which mainly acts as a clearinghouse and refers clients to a variety of training institutions in the two-county labor market around Seattle, including the VTI's, community colleges, and other training institutions.

Proprietary Schools. Some 84 proprietary (profit-making) schools provide job training in the Seattle area. Most train in one or two occupations only. These are usually in the business and office, real estate, and marketing and sales occupations.

Employer-Accomplished Training. In addition to institutional training, employers provide a considerable amount of training. Over one-third of the employers in the area provide organized, formal training programs. Most of this is formal on-the-job training (mostly for entry-level workers), followed by skill improvement training (for experienced workers) and qualifying traing. Frequently, large employers have contracts with local training institutions to provide specific types of occupational instruction for current or prospective employees.

Results of Vocational Education Planning Study. In 1979, several of the major providers of occupational training in Seattle and the State Department of Employment Security jointly funded a series of studies to provide information that would enable them to better match the supply of training programs with the demand of the labor market. In addition to specific suggestions about more or less training in specific fields, the project ascertained that employers (1) rarely used government training subsidies (for example, CETA on-the-job training and the Targeted Job Tax Credit), (2) are generally more satisfied with the vocational skill training offered

than they are with graduates' motivation, work habits, and general knowledge of the world of work, (3) want high schools and CETA-funded institutions to improve the work habits, motivation, and communication skills of graduates, and (4) want community colleges and VTI's to incorporate more "hands-on" experience and on-the-job training in their programs. The sponsors of the project concluded that secondary and postsecondary schools should provide more students with school-arranged and supervised work experience that will help them acquire good work habits and interpersonal skills along with the appropriate job skills. Moreover, vocational programs should provide for more job-specific training at the workplace and more transferable or general vocational skills at the school site.[32/]

V. PROBABLE DIRECTIONS FOR EDUCATION AND EMPLOYMENT POLICY

Major decisions about the directions for federal education and employment policy will be made during the next two years. The Federal government must decide whether or not it will continue to have a special youth employment program that is separate from its general employment and training program (CETA). It must decide whether or not it will continue to give preferential funding to vocational education in secondary schools. It will have to take a new look at the degree of financial support it will give education in the face of a recession and the emerging problem of overqualification and the underutilization of skills. And most important, the Federal government must make judgments about the relative emphasis that it will give to the four main strategies for providing sufficient employment and income security—macroeconomic expansion, public job creation and training, work-sharing, and income maintenance.

Since decisions about such issues rest with elected officials, and presumably reflect the philosophy of the political party in power, predictions about the new directions that the Federal government will take are always risky. Nonetheless, an attempt will be made here to at least identify the issues that will be raised and suggest probable directions for their resolution where consensus seems to have been obtained.

JOB CREATION AND INCOME MAINTENANCE STRATEGIES. Little consensus has been obtained on how best to create and distribute jobs or income. Most parties agree that economic growth is the best strategy to assure the greatest good for the greatest number. There is strong disagreement, however, about the amount of federal funds that should support investment in economic development relative to the amounts to support public job and income maintenance programs

that temporarily ameliorate the ill effects of joblessness and economic deprivation. Federal funds and policies now support both strategies, with the relative emphasis on each dependent on the political forces at work.

Despite the lack of consensus on this issue, two relatively new trends are emerging at the state and national levels. One is that government is moving in the direction of requiring welfare recipients to accept menial public jobs as a condition for continuing to receive welfare payments. The other is that government very gradually is complementing the usual economic growth and public employment and training policies with opportunities for work-sharing that would spread on a voluntary basis both employment and unemployment among more people.

The work-sharing strategies that are being employed the most by government, usually on a demonstration basis, are the creation of more part-time jobs and shared jobs for its own employees. Though government has done very little to encourage work-sharing in the private sector, at least one state — California — is encouraging the sharing of unemployment during recessions through a 3-year demonstration of a "short-time compensation" program. This program encourages companies to avoid layoffs when business is bad by reducing the worktime of all employees for a period of up to 3 months and partially compensating them with state funds for the reduced worktime. More than 5,000 employees have already received compensation under this program. It remains to be seen whether or not other states will adopt the California countercyclical work-sharing plan or experiment with other plans that would spread work on a more permanent basis (e.g., shorter work week, longer annual vacations, work sabbaticals or extended leaves of absence taken every few years).

REAUTHORIZATION OF YOUTH EMPLOYMENT TITLE IN CETA. Although it would seem that the goal of reducing youth joblessness is within reach in the 1980's because of a declining youth population, the problem associated with disadvantaged and minority youth will not necessarily abate, because the more disadvantaged groups will continue to increase in size. The extremely high unemployment rates of these groups have convinced the federal government to reauthorize the youth employment legislation, with perhaps an even greater targeting of funds for the poverty areas of cities, where the problem is largely concentrated.

Several different youth employment bills are now being considered by the Congress. Despite differences on particulars, there is agreement that youth employment policy will have to rely on several institutions, in both public and private sectors, and that the programs' basic objective should be the long-term employability of youth in order to improve future earnings. More specifically, the new youth bills generally recommend (1) consolidation of the various youth programs, the main question being the continuance and expansion of the Youth Incentive Entitlement Pilot Project program; (2) standardized eligibility (age and income) criteria; (3) authority to subsidize private sector work experience (now possible only through the experimental Entitlement program); (4) expansion of cooperative education and the Targeted Jobs Tax Credit (subsidies to employers to hire the disadvantaged) to cover youth; (5) greater targeting of youth employment funds in poverty areas; (6) collaboration between schools and CETA agencies (through setasides, mutual sign-offs, or incentive grants); (7) greater private sector involvement through the Private Sector Initiatives Program (Title VII of CETA); and (8) better evaluation. In addition, the Carter Administration

has proposed a separate remedial education and basic skills component that would be administered by the new Department of Education. This new legislation would target funds on secondary schools in the 3,000 school districts have the greatest concentration of poor children. Congress prefers to soften the targeting requirement and administer the program through the state education agencies, which would allocate funds to impoverished districts upon receipt of an acceptable program plan. Other concerns are the integration of youth employment programs with energy conservation, environmental protection, and public works programs.

REAUTHORIZATION OF THE VOCATIONAL EDUCATION ACT (VEA). The major issue is whether or not vocational skill training in school will continue to get priority for federal funding, or whether VEA funds can be decategorized enough to give equal weight to other components of a school-to-work delivery system, such as work experience, career guidance, information, placement, and remedial basic skill instruction. Although the weight of evaluation evidence offers little reason to continue preferential treatment for the skill training component, strong lobby groups are likely to want to maintain the current targeting of funds.

In addition to the issue of what is funded is the issue of who will be funded and through whom. The Congressionally-mandated study of vocational education that is being conducted by the National Institute of Education shows that a greater targeting of funds to special need groups may be in order, such as handicapped, disadvantaged, and non-English speaking students. A fact being brought into question is the desirability of continuing to pass funds through the state education agencies and to require state and local plans as a condition for federal funding.

The alternative would be direct distribution of funds to local education agencies on a formula grant basis.

Another issue that will probably be debated during the reauthorization is the one of quality versus quantity of skill training. A growing number of observers say the expansion objective has largely been achieved and is becoming increasingly irrelevant because of the relative decline of manufacturing and the trends toward job shortages and skill surpluses. Instead, they would recommend a strategy to upgrade the quality of programs through more research, evaluation, dissemination, and technical assistance. Of particular importance are the needs to (1) help local areas achieve a better match between training supply and labor market demand; (2) involve employers more effectively in both the planning and the provision of vocational education services; (3) provide more job specific training at the workplace and more transferable or general vocational skills at the school site; and (4) use vocational education more effectively to help students acquire basic literary skills and work habits, particularly those students who are unlikely to acquire them in a traditional academic environment.

POSTSECONDARY EDUCATION, CONTINUING EDUCATION AND LIFELONG LEARNING. The current federal policy of helping economically disadvantaged individuals qualify for professional, managerial, and technical jobs through postsecondary education is likely to continue. Because of inflation and the increasing costs of a college education, the Federal government is being pressured by the middle class and by the education industry itself to revise upwards the income eligibility criteria for these student (financial) aid programs. Colleges and universities are especially supportive of more federal student aid because this aid would keep enrollments up at a time when their very survival is being threatened by declining numbers of high school graduates

entering college. The decline is due to a combination of a smaller youth cohort in the population (because of declining birth rates after the post-War "baby boom") and a smaller proportion of high school graduates seeking a college education (because of their correct perception that a college education is conferring less labor market advantages than it used to).

Institutional maintenance pressures, however, are being counteracted by pressures to balance the federal budget and a lesser need by the economy for college graduates, since the supply of graduates in most occupational fields already exceeds the demand for them. An increasingly discussed strategy to rationalize these conflicting pressures would provide more opportunities to combine work and study by expanding cooperative education and permitting less than half-time students to participate in student grant and loan programs, so long as they maintain their income eligibility. Such a strategy would allow more students to benefit from financial aid while keeping costs under control, since employers would be contributing more to the income maintenance of the student participants. Of course, work-study arrangements would result in more part-time study and hence a longer time in school before graduation.

The relatively new Lifelong Learning Act notwithstanding, there is little chance that new federal resources will promote more part-time learning among adults. However, the federal government will maintain its limited interest in demonstrating and disseminating information about ways to provide non-traditional education to groups that have had little access to traditional inititutions and programs. States and the postsecondary institutions themselves are already very active in reaching out to workers, senior citizens, and other special groups since they need more older persons to keep enrollments up.

Nevertheless, the passage of tax limitation laws at the state level is likely to result in more "pay as you go" programs that involve adult learners.

STRUCTURAL CHANGES IN EDUCATION LIKELY TO AFFECT THE RELATIONSHIP BETWEEN EDUCATION AND EMPLOYMENT. Increasing dissatisfaction with public education in the United States has prompted some school districts, states, and elected officials to discuss more seriously than ever structural changes that would place education under greater control of the consumer public and under less control of professional educators. Such changes include educational vouchers, tax credits or entitlements, and the creation of alternative schools with federal or state funding that are not exclusively under the jurisdiction of local school districts. Attempts to enact voucher or entitlement schemes have been beaten back, primarily because of Constitutional interpretations to not subsidize parochial education with public tax dollars. Nevertheless, it seems certain that eventually many more consumer-oriented alternatives will become available.

Examples of structural changes that affect the school-to-work transition are beginning to appear. One is the establishment of private educational clinics that receive state funding to provide high school drop-outs or potential drop-outs with intensive remedial instruction in basic skills or general education. Another is the establishment of alternative schools or alternative programs that provide work-related services or training outside the regular school system, but yet which lead to academic credit of the experiences by the school system. The increasing popularity of such programs suggest that schools will become less and less the providers of educational services for the young, as they become more and more the credentiler of learning experiences provided outside the school.

VI. CONCLUSIONS

Cumulative evidence over a 15-20 year period suggests that on the whole, human resources programs (education, training, and public jobs programs) in the United States have neither reduced poverty, narrowed the income gap between rich and poor, reduced unemployment, improved the employment situation of youth, improved productivity, nor improved the quality of work. To be sure, these programs have helped some people some of the time, but from the point of view of society, there has been no net gain.

In sum, the problems of demand (economic stagnation and joblessness) are not terribly responsive to the amount of dollars targeted on improving the supply (human resources). The basic problem is not a shortage of skilled individuals, but a shortage of jobs — unskilled or skilled. The lack of marketable skills — basic educational or vocational skills — is as likely to be a symptom as a cause of economic deprivation, joblessness, and the inability to progress (or delay in progression) from lower to higher skilled work. The concentration in poverty areas of such phenomena as high unemployment, crime, functional illiteracy, and school drop-out rates gives reason to wonder about which are the causes and which are the symptoms.

Though not successful in ameliorating the ill effects of joblessness and economic deprivation for the society as a whole, human resources programs have achieved some success in spreading these ill effects among more people. Public employment and training programs, for example, have reshuffled unemployment and low earnings within the disadvantaged population, bringing program recipients from deep poverty to its upper levels. Postsecondary student aid programs are helping underprivileged youths attain a greater share of the higher status professional and managerial jobs by making it possible for them to obtain the

the requisite higher education. The major issue is not whether or not such programs can achieve success, but the extent to which the overall societal benefits are worth the cost. At the expense of quality, sufficient funds can indeed solve the quantitative problem, but the generation of unproductive jobs and training with little economic payoff would be inflationary and a disservice for both the client and the economy.

Perhaps the most significant result of recent youth employment initiatives in the United States has been the limited improvement of schooling for the disadvantaged and the linking of public and private resources to improve the delivery of services for clients. Youth employment funds under YEDPA have helped many schools broaden their approach so that youths traditionally not well served by the educational system are now more likely to obtain value from it. The more successful YEDPA programs have helped schools develop attractive educational alternatives that improve both school and job performance by more closely integrating school subjects with work experience and career orientation. Some of these have been successful in attracting drop-outs back to school. It is less clear about whether or not the simple guarantee of a job while in school is an adequate incentive to complete high school.

Future human resources programs, in order to be more successful than the current ones, must find new ways to merge human development with economic development so that one can help improve the other. Moreover, due to constraints on the economy that will make it impossible to create enough productive jobs for all who want them, serious consideration should be given to (at least) voluntary means for redistributing work among different segments of the labor force. Finally, the greater degree of institutional collaboration between CETA, educational agencies, and the private sector that is encouraged by recent legislation should be carefully nurtured and expanded in order to assure the best service to the greatest number.

EXECUTIVE SUMMARY

This is a policy study of official efforts to develop the relationship between education and employment in the United States. The study contains concise descriptions of major federal legislation and programs for both youths and adults, analyzes the results obtained, and discusses problems encountered and significant trends that seem likely to continue for some time into the future. Integrated with the above analyses are discussions of program impact on groups that are economically underprivileged. The study also provides an in-depth description of one local education and employment delivery system, which shows the application of federal programs and policies at the community level.

The major conclusion from the study is that federal government efforts over the last 15 years to improve the skills and quality of the work force have had little impact on economic development, productivity, the employment situation of youth, and the distribution of wealth in American society. The programs have been marginally successful, however, in spreading among more people the ill effects of joblessness and economic deprivation. Public employment and training programs, for example, have reshuffled unemployment and low earnings within the disadvantaged population, bringing recipients from deep poverty to its upper levels. The major issue is not whether or not such programs can achieve success, but the extent to which the overall societal benefits are worth the cost. Discovering how much investment is enough for these types of programs remains a serious challenge to American policymakers in the 1980's.

In sum, the problems of economic demand (economic stagnation and joblessness) are not generally responsive to the degree of financial support given to improving the supply of labor. The basic problem is not a shortage of skilled individuals, but a shortage of jobs. The lack of marketable skills — basic educational or vocational skills -- is as likely to be a symptom as a cause of economic deprivation, unemployment, low productivity, and the inability to progress from lower to higher skilled work. The concentration in poverty areas of many, if not most, of the instances of unemployment, crime, functional illiteracy, and school drop-outs and absenteeism gives reason to wonder about which are the causes and which are the symptoms.

Though solutions to economic problems in the U.S.A. are unlikely to be resolved by human development programs, recent federal initiatives in this area seem to be having a limited positive effect on the quality of education and training and the integration or linking of resources from public and private agencies. Youth employment funds under YEDPA have helped many schools broaden their approach so that youths traditionally not well served by the educational system are now more likely to obtain value from it. The more successful YEDPA programs have helped schools develop attractive educational alternatives that improve both job and school performance by more closely integrating schooling with work experience and career orientation. Some of these have been successful in attracting drop-outs back to school. It is less clear about whether or not the simple guarantee of a job while in school is an adequate incentive to complete high school.

Major decisions about the directions for federal education and employment policy will be made during the next two years. The federal government must decide how to consolidate and revise the geographical targeting of funds for

its reauthorized youth employment bill. It must decide whether or not it will continue to give preferential funding to vocational education in secondary schools. It will have to take a new look at the degree of financial support it will give education in the face of a recession and the emerging problem of overqualification and underutilization of skills. And most important, the federal government must make judgments about the relative emphasis that it will give to the four main strategies for providing sufficient employment and income security — macroeconomic expansion, public job creation and training, work-sharing, and income maintenance.

Future human resources programs, in order to be more successful than the current ones, must find new ways to merge human development with economic development. Moreover, due to constraints on the economy that will make it impossible to create enough productive jobs for all who want them, serious consideration should be given to (at least) voluntary means for redistributing work among different segments of the labor force. Finally, the greater degree of institutional collaboration between CETA, educational agencies, and the private sector that is encouraged by recent legislation should be carefully nurtured and expanded in other to assure the best service to the greatest number.

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